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TAGS: PREL SENV CH TW JA
CHRISCH, DRC EMPASSY, WARMING

SUBJECT: PRC EMBASSY: WARMING TREND IN CHINA-JAPAN TIES TO

CONTINUE

Classified By: DCM Joe Donovan for reasons 1.4 (b) and (d).

- ¶1. (C) Summary: The warming trend in Sino-Japanese ties will continue even if Prime Minister Abe steps down after the July election, Chinese Embassy political officer Chen Zhiwen told Tokyo political officer during a June 18 meeting. Although the possibility of Abe resigning is slim, due to the lack of a powerful opposition party, bilateral relations would continue to strengthen in a post-Abe era, Chen predicted. Stumbling blocks remain, including history issues and Taiwan, but if handled properly, will not halt efforts to boost ties. During the June 8 Abe-Hu summit on the margins of the G-8, Hu told Abe that boosting mutually beneficial economic and environmental cooperation, and seeking peaceful resolutions to disputes such as resource development in the East China Sea are goals China shares with Japan. End Summary.
- 12. (C) China's ties with Japan will continue to improve even if Prime Minister Abe is forced to step down after the July Upper House election, Chinese Embassy political officer Chen Zhiwen told Tokyo Embassy political officer on June 18. The DPJ is still too weak to take power, so even with Abe's drop in popularity over his handling of the pension scandal, the LDP will still come out ahead, Chen predicted. Even if the LDP does not do well in the election, the lack of a Koizumi style "black horse" candidate to replace Abe makes it unlikely the LDP would pressure him to step down, Chen asserted. In the event Abe was forced to step down, bilateral ties would continue to improve because Tokyo recognizes it is in Japan's best interests to continue to strengthen ties with Beijing, Chen asserted.
- 13. (C) Despite the fact that bilateral relations have improved significantly since Abe became prime minister, history issues and Taiwan remain irritants in the relationship, Chen emphasized. Abe's donation to Yasukuni Shrine in May and former President of Taiwan Lee Teng-hui's visit to Japan triggered some Beijing officials to consider canceling the Abe-Hu summit in Germany. However, Beijing decided to hold the summit to signal its commitment to improving ties to "right-wing extremists (sic)," in both countries, Chen emphasized.

Abe-Hu Summit Meeting

^{¶4. (}C) It is important to continue building mutual trust on the political front, seek ways to increase beneficial economic ties, and find peaceful solutions to disputes, President Hu Jintao told Prime Minister Abe during June 8

summit talks on the G-8's margins, Chen shared. Continued effort to prevent disagreement on Taiwan and history issues is imperative, otherwise improved relations could be derailed, Hu emphasized. Turning to the East China Sea, Beijing is committed to finding a peaceful solution and will continue to work hard to resolve it, Hu conveyed. Beijing understands there is strong domestic political scrutiny in both countries over talks on drilling rights in the East China. While both countries need to compromise, Abe will not be in a position to compromise until after the election, Chen said. Little movement is expected at the upcoming director-general level talks to be held in Beijing on June 26 and significant progress will take years, Chen explained.

15. (C) When Abe raised the abduction issue, Hu explained that Beijing understands Tokyo's "humanitarian concerns" but reiterated that it is a bilateral problem between North Korea and Japan. China supports Japan's efforts to resolve this in a bilateral manner, and its position remains unchanged, Chen emphasized. President Hu responded favorably to Abe's post-Kyoto protocol plan aimed at halving carbon dioxide emissions by 2050. China and Japan share common goals on environmental protection but differences remain on how to fairly balance economic growth with environmental protection, Chen relayed. schieffer